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# **FHA Portfolio Analysis**

**Data as of September 2005**

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**Federal Housing Administration Monthly Report  
FHA Portfolios Summary  
September 2005**

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<b>PORTFOLIO</b>	<b>NUMBER</b>	<b>DOLLARS (Billions)</b>	<b>CHANGE FROM PRIOR YEAR</b>
Single Family Insured	4,238,032	\$ 359.3	-12.5%
Multifamily Insured	12,581	\$ 56.4	0.8%
Title I Property Improvement Insured	40,912	\$ 0.6	-25.9%
Title I Manufactured Housing Insured	28,788	\$ 0.8	-14.5%
Single Family Notes	318	\$ 0.01	-20.1%
Multifamily Notes	2,942	\$ 3.7	3.2%
Accelerated Claims Disposition Notes	5,430	\$ 0.6	6.3%
Title I Notes	26,407	\$ 0.4	-17.7%
Single Family Properties	28,888	\$ 2.9	7.8%
Multifamily Properties	1	\$ -	-100.0%

## ***Multifamily Insured Portfolio***

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### **Endorsements**

- In this fiscal year, FHA endorsed a total of 1,028 multifamily mortgages compared to 1,502 multifamily mortgages reported for FY 2004.
- For the month of September, new construction and substantial rehabilitation mortgages totaled 48 for \$462.8 million.
- During FY 2005, the number of Section 221(d)(4) mortgages was 415 insured for \$2.4 billion.

### **Insurance-in-Force**

- As of September 30, 2005, the dollar volume of FHA's multifamily insurance-in-force was \$56.4 billion, less than one percent over the amount for same time last year.
- Since September 2004, the number of FHA multifamily insured mortgages declined 4.0 percent to 12,581.

### **Prepayments**

- During FY 2005, the number of prepayments totaled 1,102 for \$3.8 billion, compared to 1,393 prepayments for \$4.6 billion during FY 2004.

### **Claims**

- The number of claims processed through the end of FY 2005 was 326 for \$1.2 billion, compared to 436 claims for \$1.4 billion for the same period a year ago.

**Federal Housing Administration Monthly Report**  
***Multifamily Insured Portfolio***

	Current Month Sep 2005			Current FYTD Oct 2004 - Sep 2005			Prior FYTD Oct 2003 - Sep 2004			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Insurance in Force(Beginning)</b>	<b>12,587</b>	<b>1,496,424</b>	<b>\$56,240.8</b>	<b>13,108</b>	<b>1,561,187</b>	<b>\$55,996.1</b>	<b>13,681</b>	<b>1,635,028</b>	<b>\$55,893.3</b>	<b>0.2%</b>
<b>FY Prepayments(-)</b>	(158)	(22,604)	(\$830.4)	(1,102)	(138,536)	(\$3,784.5)	(1,393)	(178,660)	(\$4,618.0)	-18.0%
<b>FY Claim Terminations(-)</b>	(36)	(4,079)	(\$140.1)	(326)	(34,837)	(\$1,212.6)	(436)	(40,165)	(\$1,448.4)	-16.3%
<b>FY Endorsements(+)</b>	194	22,813	\$1,249.0	1,028	119,594	\$6,911.7	1,502	176,022	\$7,903.3	-12.5%
FY Endorsements by Mortgage type										
New Construction/Sub Rehab	48	6,976	\$462.8	297	42,787	\$3,519.8	452	63,097	\$3,910.8	-10.0%
Refinance	117	13,049	\$742.2	532	60,726	\$2,940.9	741	89,231	\$3,592.0	-18.1%
Supplemental/Equity	1	0	\$2.1	10	0	\$213.1	8	0	\$124.4	71.3%
Operating Loss	0	0	\$0.0	2	0	\$2.9	2	0	\$2.4	19.6%
Portfolio Re-engineering	28	2,788	\$41.9	187	16,081	\$235.0	299	23,694	\$273.7	-14.1%
FY Endorsements by Program type										
Rental Housing										
Section 221(d)(3) & 236	13	308	\$29.2	52	2,835	\$114.9	56	3,737	\$101.2	13.5%
Section 221(d)(4)	63	9,225	\$455.6	415	51,100	\$2,403.4	683	80,544	\$3,450.2	-30.3%
Other Rental	51	5,292	\$221.7	235	27,948	\$1,123.1	286	37,096	\$1,503.3	-25.3%
Risk Share	23	2,499	\$145.3	114	13,914	\$732.4	192	21,584	\$924.0	-20.7%
Health Care Facilities										
Nursing Homes	25	3,018	\$163.8	131	16,122	\$831.5	196	25,544	\$1,153.6	-27.9%
BoardCare	4	293	\$12.5	7	554	\$25.9	5	650	\$28.0	-7.4%
Assisted Living	14	1,116	\$73.0	63	4,676	\$333.4	78	5,914	\$392.9	-15.1%
Hospitals	1	1,062	\$148.0	11	2,445	\$1,347.0	6	953	\$350.0	284.8%
<b>Prior FY Prepayments(-)</b>	(4)	(136)	(\$2.1)	(126)	(19,624)	(\$568.7)	(230)	(30,614)	(\$828.7)	
<b>Prior FY Claims(-)</b>	(1)	(165)	(\$4.6)	(6)	(955)	(\$49.9)	(23)	(1,995)	(\$52.5)	
<b>Prior FY Endorsements(+)</b>	0			1	254	\$20.8	13	1,969	\$125.4	
<b>Adjustments</b>	(1)	5,020	(\$86.1)	4	10,190	(\$886.3)	(6)	(398)	(\$978.3)	
<b>Insurance in Force(Ending)</b>	<b>12,581</b>	<b>1,497,273</b>	<b>\$56,426.6</b>	<b>12,581</b>	<b>1,497,273</b>	<b>\$56,426.6</b>	<b>13,108</b>	<b>1,561,187</b>	<b>\$55,996.1</b>	<b>0.8%</b>

Note: Dollars represent original mortgage amount for endorsements and unpaid principal balance for insurance in force and terminations.  
Units are not counted for Supplemental, Equity or Operating Loss mortgages.

## ***Multifamily Notes and Properties***

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### **Notes**

- The multifamily note inventory compared to last year increased by 3.2 percent in dollars to \$3.7 billion and increased in number from 2,781 to 2,942 notes as of September 30, 2005.
- Through the end of September FY 2005, multifamily note assignments decreased to 453 from 689 note assignments for FY 2004, and the dollar amount of the notes assigned was \$1.1 billion, which was 19.6 percent below the dollar amount reported for the prior fiscal year.

### **Properties**

- The balance of the property inventory was 1 with no cost to HUD compared to 2 for \$7.4 million for the same period a year ago, a decrease of 100 percent in dollars.

**Federal Housing Administration Monthly Report**  
**Multifamily Notes and Properties**

	Current Month Sep 2005			Current FYTD Oct 2004 - Sep 2005			Prior FYTD Oct 2003 - Sep 2004			Percent Change Dollars
	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	Number	Units	Dollars (\$M)	
<b>Notes(Beginning)</b>	<b>2,935</b>	<b>227,680</b>	<b>\$3,920.5</b>	<b>2,781</b>	<b>209,969</b>	<b>\$3,602.7</b>	<b>2,398</b>	<b>180,950</b>	<b>\$3,132.6</b>	<b>15.0%</b>
Pay Offs(-)	(11)	(2,734)	(\$57.7)	(107)	(8,897)	(\$211.2)	(97)	(8,986)	(\$170.7)	23.7%
Conversions(-)	(1)	(150)	(\$0.9)	(11)	(943)	(\$28.0)	(21)	(2,689)	(\$48.5)	-42.3%
Sales(-)	(27)	(4,369)	(\$191.2)	(119)	(16,071)	(\$709.9)	(112)	(12,842)	(\$536.8)	32.3%
Assignments/Seconds(+)	48	5,231	\$50.1	453	45,333	\$1,082.8	689	60,263	\$1,346.0	-19.6%
<b>Assignments/Seconds by type</b>										
Portfolio Re-engineering	39	3,770	\$36.1	322	25,798	\$426.3	558	43,087	\$634.5	-32.8%
Other Assignments	9	1,461	\$14.0	131	19,535	\$656.4	131	17,176	\$711.5	-7.7%
Adjustments	(2)	(151)	(\$3.6)	(55)	(3,884)	(\$19.2)	(76)	(6,727)	(\$119.9)	
<b>Notes(Ending)</b>	<b>2,942</b>	<b>225,507</b>	<b>\$3,717.2</b>	<b>2,942</b>	<b>225,507</b>	<b>\$3,717.2</b>	<b>2,781</b>	<b>209,969</b>	<b>\$3,602.7</b>	<b>3.2%</b>
<b>Properties(Beginning)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>2</b>	<b>315</b>	<b>\$7.4</b>	<b>20</b>	<b>3,016</b>	<b>\$41.2</b>	<b>-82.0%</b>
Conversions(+)	0	0	\$0.0	9	839	\$26.9	19	2,481	\$48.1	-44.1%
Sales(-)	0	0	\$0.0	(10)	(1,154)	(\$34.3)	(37)	(5,182)	(\$81.9)	-58.1%
<b>Properties(Ending)</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>1</b>	<b>0</b>	<b>\$0.0</b>	<b>2</b>	<b>315</b>	<b>\$7.4</b>	<b>-100.0%</b>

Note: Dollars represent assignment amount for notes and acquisition cost for properties; Data for notes are from Aug 20-Sep 30 for current month and from Oct 1 - Sep 30 for FYTD.

Data for properties are from Sep 1-Sep 30 for current month and from Oct 1 - Sep 30 for FYTD

Units are not counted for Supplemental, Equity, or Operating Loss mortgages that are not in the first position.

The remaining property in the inventory is a Title X Land Development property, it lists an acquisition cost of \$1 and has no units.

## *Single Family Insured Portfolio*

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### **Insurance-in-Force**

- From the end of September 2004 to the end of September 2005, FHA single family insurance-in-force decreased by 606,602 insured mortgages. This was a drop of 13 percent to 4,238,032 in number of active mortgages.
- At the end of September 2005, the dollar amount of insurance-in-force had decreased 11.3 percent compared to a year ago.

### **Prepayments**

- Through the end of FY 05, single family prepayments totaled 1,041,242; 24 percent below the number of prepayments reported during this same period in FY 2004.

### **Claims**

- Single family claim terminations processed for FY 2005 have decreased 13.1 percent to 73,032 compared to the number of claims processed during the same period a year ago.

### **Endorsements**

- FHA endorsed 512,420 mortgages, totaling \$61.8 billion, during Fiscal Year 2005, 46.7 percent under the number reported during last fiscal year.
- During FY 2005, Mutual Mortgage Insurance Fund endorsements decreased by 46 percent to 478,439 from 893,023 for FY 2004.
- For the FY 2005, the number of condominium mortgages decreased by 52 percent to 30,229 compared to 62,458 reported for the FY 2004.
- Loans to purchase and improve homes under Section 203(k) decreased 36 percent to 2,951 through the end of FY 2005 compared to 4,605 reported during FY 2004.
- For FY 2005, the number of adjustable rate mortgages (ARM's) was 52,485 a decrease of 49 percent compared to fiscal year; fixed rate mortgages (FRM's) decreased 46 percent to 459,935 mortgages.
- Refinancings have decreased 58 percent in number from 374,745 for FY 2004 to 158,481 during FY 2005.
- For FY 2005, the number of HECM endorsements totaled 42,921 for \$6.2 billion, a 14 percent increase over the 37,803 mortgages for \$5 billion reported for FY 2004. HECM refinancings totaled 1,044 cases for FY 2005.

**Federal Housing Administration Monthly Report**  
**Single Family Insured Portfolio**

	Current Month Sep 2005		Current FYTD Oct 2004 - Sep 2005		Prior FYTD Oct 2003 - Sep 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>	4,283,099	\$ 363,149.7	4,840,188	\$ 411,532.6	5,354,290	\$ 432,295.2	-10%
Prepayments(-)	(78,308)	\$ (7,581.8)	(1,041,242)	\$ (100,723.0)	(1,373,916)	\$ (127,687.6)	-24%
Claim Terminations(-)	(5,275)	\$ (465.7)	(73,032)	\$ (6,505.6)	(84,000)	\$ (7,208.6)	-13.1%
Endorsements(+)	38,455	\$ 4,756.5	512,420	\$ 61,819.0	961,265	\$ 113,424.5	-46.7%
<i>Endorsements by Program</i>							
MMIF	35,812	\$ 4,406.8	478,439	\$ 57,484.4	893,023	\$ 105,230.4	-46%
GIF/SRIF	2,643	\$ 349.8	33,981	\$ 4,334.6	68,242	\$ 8,194.1	-50%
234 Condo	2,340	\$ 307.6	30,229	\$ 3,825.8	62,458	\$ 7,427.0	-52%
203(k) Improvement	235	\$ 32.8	2,951	\$ 415.6	4,605	\$ 642.8	-36%
Other	68	\$ 9.4	801	\$ 93.2	1,179	\$ 124.4	-32%
<i>Endorsements by Type</i>							
Adjustable Rate Mortgages	1,988	\$ 303.8	52,485	\$ 7,736.1	102,078	\$ 14,549.8	-49%
Fixed Rate Mortgages	36,467	\$ 4,452.8	459,935	\$ 54,082.9	859,187	\$ 98,874.7	-46%
<i>Endorsements by Purpose</i>							
Refinancings	10,258	\$ 1,277.7	158,481	\$ 18,622.1	374,745	\$ 42,159.4	-58%
Purchases	28,197	\$ 3,478.8	353,939	\$ 43,196.9	586,520	\$ 71,265.1	-40%
<i>Hecm Program*</i>							
HECM Endorsements	3,857	\$ 594.8	42,921	\$ 6,194.5	37,803	\$ 5,061.2	14%
HECM Refiancings	237	\$ 34.9	1,044	\$ 155.1			
HECM In-Force	120,092	\$ 10,943.8	120,092	\$ 10,943.8	77,687	\$ 6,986.6	55%
<i>Endorsements by Credit Processing*</i>							
FHA	NA	NA	NA	NA	NA	NA	
FHLMC Scorecard	NA	NA	NA	NA	NA	NA	
FNMA Scorecard	NA	NA	NA	NA	NA	NA	
Adjustments	61	\$ (593.8)	(302)	\$ (6,858.1)	(13,005)	\$ (5,951.5)	
<b>Insurance-in-Force (Ending)</b>	4,238,032	\$ 359,264.9	4,238,032	\$ 359,264.9	4,844,634	\$ 404,872.0	-13%

Note: Dollars represent unpaid balance.

\* Data Source for HECM is the HECM Detail Case

## ***Single Family Notes and Properties***

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### **Notes**

- The single family notes inventory declined by 20 percent in FY2005 compared to FY2004.
- In FY2005 the number of notes on which FHA foreclosed, resulting in conversions to properties, was 33 compared to 71 converted during FY2004.

### **Accelerated Claims Disposition Notes**

- Liquidations of REO in FY2005 are 129 percent more than the liquidations in FY2004, while the count of notes liquidated decreased 7 percent over the same period.
- Additions to the inventory have increased 32 percent when comparing FY2005 with FY2004.
- The inventory of notes at the end of FY2005 was up 6 percent from the end of FY2004.

### **Properties**

- The single family property inventory had 28,888 properties at the end of FY2005, an increase of 8 percent over a year ago.
- Property sales numbered 57,930 in FY2005, compared to 77,775 for FY2004.
- During the month of September 2005, sales exceeded conveyances by 2.5 percent.

**Federal Housing Administration Monthly Report**  
**Single Family Notes and Properties**

	Current Month Sep 2005		Current FYTD Oct 2004 - Sep 2005		Prior FYTD Oct 2003 - Sep 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Notes (Beginning)</b>	319	\$ 11.4	398	\$ 14.4	473	\$ 18.0	-16%
Pay-Offs(-)	(5)	\$ (0.1)	(77)	\$ (1.5)	(66)	\$ (1.6)	17%
Conversions(-)	(1)	\$ -	(33)	\$ -	(71)	\$ -	-54%
Sales(-)	-	\$ -	-	\$ -	-	\$ -	
Assignments MNA(+)	1	\$ -	21	\$ 0.8	33	\$ 1.3	-36%
Assignments PMM(+)	6	\$ 0.7	7	\$ 0.8	23	\$ 0.5	-70%
Adjustments	(2)	\$ (0.4)	2	\$ (2.7)	6	\$ (3.9)	
<b>Notes (Ending)</b>	318	\$ 11.7	318	\$ 11.7	398	\$ 14.4	-20%
<b>Accelerated Claims Disposition Notes (Beginning)</b>	5,962	\$ 637.6	5,108	\$ 475.8	5,723	\$ 519.3	-11%
Liquidations REO	(204)	\$ (19.7)	(2,442)	\$ (219.5)	(1,068)	\$ (93.7)	129%
Liquidations Notes	(570)	\$ (61.1)	(5,226)	\$ (559.6)	(5,619)	\$ (540.9)	-7%
Additions	242	\$ 25.4	8,000	\$ 887.0	6,079	\$ 591.9	32%
Repurchases and Write-Offs	-	\$ -	(10)	\$ (1.4)	(7)	\$ (0.8)	43%
<b>Accelerated Claims Disposition Notes (Ending)</b>	5,430	\$ 582.3	5,430	\$ 582.3	5,108	\$ 475.8	6%
<b>Properties (Beginning)</b>	29,000	\$ 2,869.9	26,808	\$ 2,572.7	34,144	\$ 3,158.5	-21%
Sales(-)	(4,373)	\$ (433.0)	(57,930)	\$ (5,736.4)	(77,775)	\$ (7,439.3)	-26%
Conversions(+)	1	\$ -	33	\$ -	71	\$ -	-54%
Conveyances(+)	4,266	\$ 422.5	59,718	\$ 5,916.7	70,704	\$ 6,769.8	-16%
Adjustments	(6)	\$ 1.2	259	\$ 107.6	(336)	\$ 75.3	
<b>Properties (Ending)</b>	28,888	\$ 2,860.6	28,888	\$ 2,860.6	26,808	\$ 2,564.2	8%

Note: Dollars represent unpaid balance for notes and acquisition cost for properties.

## *Single Family Detail*

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### **Defaults**

- At the end of August 2005, FHA's single family default rate reached a high of 6.36 percent, compared to 6.13 percent for the same period a year ago.
- The 50 metropolitan statistical areas (MSAs) with the highest default rates as of August 2005 accounted for 34 percent of the national total of defaults.
- 26 of the MSAs in the top 50 that have endorsed ARMS have higher default rates on FRMs than on ARMs.

### **Loss Mitigation Activity**

- Use of forbearance agreements to keep borrowers in their homes decreased 8 percent during FY 2005 compared to the same time a year ago.
- During this fiscal year, lenders used loan modifications a total of 39,897, times compared to 35,152 times during FY 2004.
- Lenders used partial Claims a total of 14,189 times for FY 2005, compared to 14,197 times for last fiscal year. .

### **Insurance Claims**

- At the end of this fiscal year, pre-foreclosure sales increased by 4 percent to 5,481; while deeds-in-lieu dropped 20 percent to 320 compared to the prior fiscal year.
- Conveyance foreclosure claims numbered 60,152, a decrease of 16 percent during FY 2005 compared to FY2004 when there were 71,280.

**Federal Housing Administration Monthly Report**  
***Single Family Detail***

	Current Month Sep 2005 Number	Current FYTD Oct 2004 -Sep 2005 Number	Prior FYTD Oct 2004 -Sep 2004 Number	Percent Change
<b>Status of Insurance-in-Force*</b>				
Current	4,010,733	4,010,733	4,636,038	-13%
In Default (90 or more days delinquent)	272,366	272,366	302,605	-10%
Total Insurance-in-Force	4,283,099	4,283,099	4,938,643	-13%
Default Rate	6.36%	6.36%	6.13%	
<b>Loss Mitigation Activity **</b>				
Forbearance Agreements	2,307	26,951	29,179	-8%
Loan Modifications	2,690	39,897	35,152	13%
Partial Claims	973	14,189	14,197	0%
Total	5,970	81,037	78,528	3%
<b>Insurance Claims</b>				
Conveyance Foreclosure	4,443	60,152	71,280	-16%
Pre-Foreclosure Sale	473	5,481	5,250	4%
Deed-in-Lieu of Foreclosure	24	320	400	-20%
Other***	335	7,079	7,070	0%
Total	5,275	73,032	84,000	-13%

\*August data: September data not available until after October 31, 2005.

\*\*Counts are based on settlement dates of loss mitigation claims.

\*\*\*Accelerated Claims Disposition Demonstration Program (601)

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of August 2005)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Aug. 2005			Prior Year Aug. 2004			Current Year Aug. 2005	Prior Year Aug. 2004	Percent Change	Current Year Aug. 2005	Prior Year Aug. 2004	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
1	MEMPHIS, TN-AR-MS	12.48	12.45	13.04	12.56	12.52	13.28	54,891	60,223	-9%	6,848	7,565	-9%
2	CLEVELAND-LORAIN-ELYRIA, OH	12.39	12.30	13.52	11.90	11.75	13.76	32,766	34,752	-6%	4,060	4,135	-2%
3	VINELAND-MILLVILLE-BRIGETON, NJ	11.86	11.82	12.78	11.76	11.62	15.49	3,415	3,904	-13%	405	459	-12%
4	TOLEDO, OH	11.85	12.00	9.97	10.53	10.79	7.12	4,708	5,146	-9%	558	542	3%
5	YOUNGSTOWN-WARREN, OH	11.77	11.69	13.60	10.91	10.98	9.23	6,254	6,482	-4%	736	707	4%
6	GARY, IN	11.57	11.50	12.72	10.24	10.17	11.40	13,910	14,567	-5%	1,610	1,492	8%
7	DETROIT, MI	11.24	11.77	8.07	10.07	10.68	5.93	67,979	74,082	-8%	7,641	7,458	2%
8	PHILADELPHIA, PA-NJ	11.05	11.01	11.76	10.81	10.70	12.79	86,420	101,880	-15%	9,552	11,016	-13%
9	ROCKFORD, IL	10.92	10.89	11.19	10.43	10.21	13.06	8,200	8,545	-4%	895	891	0%
10	BIRMINGHAM, AL	10.33	10.35	10.01	10.02	10.06	9.31	21,589	23,774	-9%	2,230	2,382	-6%
11	TRENTON, NJ	10.23	10.13	11.53	10.55	10.46	11.80	4,136	4,846	-15%	423	511	-17%
12	FLINT, MI	9.87	9.90	9.39	8.33	8.51	5.32	9,696	10,528	-8%	957	877	9%
13	NEWBURGH, NY-PA	9.76	9.91	6.90	9.46	9.32	12.79	1,782	2,274	-22%	174	215	-19%
14	NEWARK, NJ	9.76	9.84	8.89	9.95	10.02	8.86	17,943	22,726	-21%	1,751	2,261	-23%
15	ATLANTIC-CAPE MAY, NJ	9.74	9.51	13.09	9.58	9.18	15.53	5,472	6,829	-20%	533	654	-19%
16	HAMILTON-MIDDLETOWN, OH	9.64	9.62	9.76	10.20	10.43	8.55	5,769	6,196	-7%	556	632	-12%
17	SAGINAW-BAY CITY-MIDLAND, MI	9.62	9.75	7.98	8.50	8.57	7.51	5,998	6,046	-1%	577	514	12%
18	INDIANAPOLIS, IN	9.57	9.58	9.51	9.10	9.06	9.41	62,059	63,762	-3%	5,938	5,804	2%
19	ATLANTA, GA	9.39	9.52	8.45	9.12	9.23	8.27	145,173	153,362	-5%	13,627	13,991	-3%
20	COLUMBUS, OH	9.37	9.32	9.87	9.08	9.05	9.36	45,744	48,596	-6%	4,286	4,413	-3%
21	CHATTANOOGA, TN-GA	9.16	9.23	7.24	8.75	8.82	6.44	8,832	9,523	-7%	809	833	-3%
22	AKRON, OH	9.01	8.99	9.25	8.70	8.76	7.94	10,015	10,539	-5%	902	917	-2%
23	READING, PA	9.00	8.81	12.39	9.08	8.93	11.79	4,223	4,715	-10%	380	428	-11%
24	DAYTON-SPRINGFIELD, OH	8.93	8.84	9.82	9.12	8.97	10.71	20,090	21,006	-4%	1,794	1,916	-6%
25	KOKOMO, IN	8.89	9.03	6.96	7.82	7.73	9.17	1,688	1,764	-4%	150	138	9%

**Federal Housing Administration Monthly Report  
Single Family Detail (continued)**

**MSA's With The Highest Single Family Default Rates  
(Data as of August 2005)**

Rank	MSA Name	Default Rates						Total IIF			Defaults		
		Current Year Aug. 2005			Prior Year Aug. 2004			Current Year Aug. 2005	Prior Year Aug. 2004	Percent Change	Current Year Aug. 2005	Prior Year Aug. 2004	Percent Change
		Total	FRM	ARM	Total	FRM	ARM						
26	CINCINNATI, OH-KY-IN	8.87	8.91	8.55	9.05	9.12	8.40	25,672	27,209	-6%	2,278	2,462	-7%
27	KANKAKEE, IL	8.78	8.74	9.52	8.03	7.74	12.79	1,526	1,507	1%	134	121	11%
28	SHREVEPORT-BOSSIER CITY, LA	8.72	8.74	7.98	7.75	7.79	4.69	10,534	11,548	-9%	919	895	3%
29	CHICAGO, IL	8.67	8.55	9.23	8.79	8.76	8.92	101,294	121,715	-17%	8,783	10,699	-18%
30	BATON ROUGE, LA	8.59	8.60	8.429	8.23	8.26	6.30	14,072	15,280	-8%	1,209	1,257	-4%
31	WILMINGTON-NEWARK, DE-MD	8.48	8.35	10.43	8.12	7.89	11.41	10,791	13,195	-18%	915	1,072	-15%
32	RACINE, WI	8.46	8.54	7.69	8.84	8.69	10.83	2,058	2,194	-6%	174	194	-10%
33	NEW YORK, NY	8.44	8.36	9.38	10.09	10.03	10.77	22,168	31,107	-29%	1,871	3,138	-40%
34	ROCKY MOUNT, NC	8.40	8.13	11.21	8.30	7.66	15.69	1,358	1,277	6%	114	106	8%
35	MANSFIELD, OH	8.36	8.58	6.25	8.61	8.20	12.33	1,519	1,499	1%	127	129	-2%
36	EVANSVILLE-HENDERSON, IN-KY	8.29	8.41	6.40	7.21	7.36	4.35	3,402	3,178	7%	282	229	23%
37	NEW ORLEANS, LA	8.24	8.18	11.61	7.87	7.82	10.84	33,684	36,973	-9%	2,776	2,911	-5%
38	SHARON, PA	8.19	8.13	12.50	7.47	7.39	14.29	623	589	6%	51	44	16%
39	PEORIA-PEKIN, IL	8.18	8.32	3.94	8.47	8.51	6.90	4,057	3,910	4%	332	331	0%
40	MUNCIE, IN	8.17	8.25	7.27	7.53	7.69	5.61	1,383	1,434	-4%	113	108	5%
41	COLUMBIA, SC	8.17	7.92	12.05	8.02	7.79	11.94	11,581	12,306	-6%	946	987	-4%
42	MONMOUTH-OCEAN, NJ	8.14	8.26	6.865	7.74	7.77	7.33	9,006	11,297	-20%	733	874	-16%
43	JACKSONVILLE, FL	8.13	8.17	7.274	8.33	8.37	7.56	22,819	25,728	-11%	1,855	2,143	-13%
44	KENOSHA, WI	8.12	8.01	8.98	8.47	8.16	11.30	2,180	2,385	-9%	177	202	-12%
45	TUSCALOOSA, AL	8.09	8.11	7.95	8.25	8.19	9.26	2,805	2,739	2%	227	226	0%
46	JANESVILLE-BELOIT, WI	8.06	7.55	12.12	7.91	8.03	7.14	881	973	-9%	71	77	-8%
47	HATTIESBURG, MS	8.02	8.11	4.17	9.12	9.22	0.00	1,097	1,042	5%	88	95	-7%
48	BENTON HARBOR, MI	7.98	8.10	6.67	7.19	7.15	7.64	1,517	1,585	-4%	121	114	6%
49	CANTON-MASSILLON, OH	7.96	8.14	6.46	8.22	8.34	7.09	4,436	4,549	-2%	353	374	-6%
50	ALLENTOWN-BETHLEHEM-EASTON,PA	7.93	8.00	6.88	7.64	7.56	9.00	9,378	10,765	-13%	744	822	-9%

Source SFDW

Data as of August 2005

25,393

## ***Title I Portfolios***

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### **Insurance-in-Force**

- Property improvement insurance-in-force in September 2005 declined to 40,912 loans, down 26 percent from this period last year.
- Manufactured housing insurance-in-force declined to 28,788 loans, a drop of 14 percent from this same period a year ago.

### **Prepayments**

- Property improvement loan prepayments decreased 41 percent by the end of FY 2005 compared to the number reported for the same period last fiscal year.
- Manufactured housing loan prepayments increased 18 percent during the fiscal year just ended compared to the number reported for the same period in the prior fiscal year.

### **Claims**

- At the end of FY 2005, property improvement claim terminations processed decreased by 33 percent compared to the same period in FY 2004.
- During FY 2005, manufactured housing claims processed decreased 28 percent compared to the number of claims reported for this same period in FY 2004.

### **Endorsements**

- Property improvement endorsements declined 25 percent to 3,628 for this fiscal year, compared to 4,842 for this period in FY 2004.
- At the end of FY 2005, there had been 1,849 manufactured housing endorsements, down 6 percent from the 1,976 reported through the end of FY 2004.

### **Notes**

- The Title I note portfolio numbered 26,407 notes at the close of FY 2005, compared to 32,094 at this same time in the previous fiscal year.
- During the fiscal year just ended, a total of 4,933 Title I note collection cases were closed, 9 percent more than the 4,539 cases closed during FY 2004.

# Federal Housing Administration Monthly Report

## Title I Portfolios

	Current Month Sep 2005		Current FYTD Oct 2004 - Sep 2005		Prior FYTD Oct 2003 - Sep 2004		Percent Change (Number)
	Number	Dollars (\$M)	Number	Dollars (\$M)	Number	Dollars (\$M)	
<b>Insurance-in-Force (Beginning)</b>							
Property Improvement	41,137	\$ 592.3	55,524	\$ 796.0	81,672	\$ 1,185.6	-32%
Manufactured Housing	28,843	\$ 804.5	33,707	\$ 900.7	37,980	\$ 987.6	-11%
Prepayments(-)							
Property Improvement	(1,023)	(14)	(17,974)	(254)	(30,323)	(448.2)	-41%
Manufactured Housing	(604)	(14)	(6,869)	(162)	(5,806)	(142.1)	18%
Claim Terminations(-)							
Property Improvement	(1)	(0)	(656)	(9)	(978)	(12.8)	-33%
Manufactured Housing	-	-	(341)	(10)	(474)	(13.7)	-28%
Endorsements(+)							
Property Improvement	339	\$ 4.5	3,628	\$ 50.3	4,842	\$ 66.8	-25%
Manufactured Housing	110	\$ 4.0	1,849	\$ 65.8	1,976	\$ 67.9	-6%
Adjustments							
Property Improvement	460	\$ 6.9	390	\$ 5.6	16	\$ 0.3	
Manufactured Housing	439	\$ 8.5	442	\$ 8.2	(21)	(1.0)	
<b>Insurance-in-Force (Ending)</b>							
Property Improvement	40,912	\$ 589.3	40,912	\$ 589.3	55,229	\$ 791.7	-26%
Manufactured Housing	28,788	\$ 802.9	28,788	\$ 802.9	33,655	\$ 898.8	-14%
<b>Notes (Beginning)</b>	26,695	\$ 356.7	32,094	\$ 418.5	35,724	\$ 455.5	-10%
New Cases Assigned(+)	79	\$ 0.8	1,094	\$ 11.0	1,800	\$ 18.9	-39%
Interest Accrual(+)	N/A	\$ 1.1	N/A	\$ 14.9	N/A	\$ 17.7	
Net Collections(-)	N/A	(2.0)	N/A	(28.2)	N/A	(33.4)	
Cases Closed(-)	(289)	(2.7)	(4,933)	(48.0)	(4,539)	(37.5)	9%
Adjustments	(78)	(1.2)	(1,848)	(15.4)	(891)	(2.8)	
<b>Notes (Ending)</b>	26,407	\$ 352.8	26,407	\$ 352.8	32,094	\$ 418.5	-18%

Note: Dollars represent original loan proceeds for insurance-in-force and unpaid balance for notes.

The September Title I portfolio includes cases classified as Currently Not Collectable (14,570 cases totaling \$226.6 million dollars)

## *Commitments and GI/SRI Credit Subsidy*

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### **MMIF**

- MMIF commitments equaled \$57.5 billion for FY 2005.
- The MMIF commitment authority is \$185 billion for FY 2005.

### **GIF/SRIF**

- Fiscal Year 2005, GIF/SRIF commitments equaled \$10.6 billion.
- The GIF/SRIF commitment authority is \$35 billion for FY 2005.

### **GI/SRI Credit Subsidy**

- FHA used \$571 thousand in credit subsidy for FY 2005.
- FHA authority is \$15.8 million for FY 2005.

**Federal Housing Administration Monthly Report  
Commitments & Credit Subsidy**

*Dollars in Millions*

**Commitments**

<b>Fiscal Year 2004</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF*</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GIF/SRIF Multifamily**</b>
Oct	\$ 5,571.830	\$ 865.575	\$ 383.937	\$ 53.039	\$ 419.589	\$ 4.174	\$ 4.836	\$ -
Nov	\$ 5,164.935	\$ 814.954	\$ 339.769	\$ 38.458	\$ 422.300	\$ 5.027	\$ 9.400	\$ -
Dec	\$ 5,181.462	\$ 841.901	\$ 334.503	\$ 38.463	\$ 461.773	\$ 3.885	\$ 3.276	\$ -
Jan	\$ 4,867.782	\$ 905.915	\$ 316.045	\$ 33.845	\$ 545.211	\$ 4.382	\$ 6.432	\$ -
Feb	\$ 4,131.928	\$ 779.524	\$ 271.211	\$ 33.360	\$ 467.742	\$ 2.690	\$ 4.521	\$ -
Mar	\$ 4,978.562	\$ 1,021.857	\$ 336.814	\$ 33.474	\$ 643.471	\$ 3.029	\$ 5.069	\$ -
Apr	\$ 4,573.247	\$ 811.983	\$ 307.822	\$ 32.255	\$ 462.499	\$ 4.051	\$ 5.355	\$ -
May	\$ 4,521.616	\$ 776.597	\$ 302.666	\$ 29.647	\$ 430.793	\$ 5.262	\$ 8.229	\$ -
Jun	\$ 4,295.553	\$ 826.091	\$ 288.329	\$ 33.104	\$ 496.371	\$ 3.759	\$ 4.529	\$ -
Jul	\$ 4,459.471	\$ 814.374	\$ 289.278	\$ 27.652	\$ 489.412	\$ 4.275	\$ 3.757	\$ -
Aug	\$ 5,331.224	\$ 1,233.424	\$ 347.794	\$ 29.550	\$ 844.393	\$ 5.233	\$ 6.454	\$ -
Sep	\$ 4,406.766	\$ 953.077	\$ 307.632	\$ 32.753	\$ 604.232	\$ 4.505	\$ 3.955	\$ -
<b>FYTD 2005 Total</b>	<b>\$ 57,484.38</b>	<b>\$ 10,645.27</b>	<b>\$ 3,825.801</b>	<b>\$ 415.599</b>	<b>\$ 6,287.786</b>	<b>\$ 50.272</b>	<b>\$ 65.813</b>	<b>\$ -</b>
<b>FY 2004 Total</b>	<b>\$ 106,721.729</b>	<b>\$ 13,473.619</b>	<b>\$ 7,518.397</b>	<b>\$ 648.991</b>	<b>\$ 5,171.195</b>	<b>\$ 66.893</b>	<b>\$ 68.143</b>	<b>\$ 8.533</b>
<b>FY 2005 Annualized</b>	<b>\$ 57,484.377</b>	<b>\$ 10,645.270</b>	<b>\$ 3,825.801</b>	<b>\$ 415.599</b>	<b>\$ 6,287.786</b>	<b>\$ 50.272</b>	<b>\$ 65.813</b>	<b>\$ -</b>
<b>FY 2005 Authority</b>	<b>\$ 185,000.000</b>	<b>\$ 35,000.000</b>						

**Credit Subsidy**

<b>Fiscal Year 2004</b>	<b>MMIF</b>	<b>GI/SRIF Total</b>	<b>Section 234</b>	<b>Section 203(k)</b>	<b>GI/SRI Other SF</b>	<b>Title I Property Improvement</b>	<b>Title I Mobile Homes</b>	<b>GIF/SRIF Multifamily**</b>
<i>Subsidy Factor</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>0.0014</i>	<i>Various</i>
Oct	N/A	\$ 0.007	N/A	N/A	N/A	N/A	\$ 0.007	\$ -
Nov	N/A	\$ 0.013	N/A	N/A	N/A	N/A	\$ 0.013	\$ -
Dec	N/A	\$ 0.005	N/A	N/A	N/A	N/A	\$ 0.005	\$ -
Jan	N/A	\$ 0.009	N/A	N/A	N/A	N/A	\$ 0.009	\$ -
Feb	N/A	\$ 0.006	N/A	N/A	N/A	N/A	\$ 0.006	\$ -
Mar	N/A	\$ 0.155	N/A	N/A	N/A	N/A	\$ 0.007	\$ 0.148
Apr	N/A	\$ 0.009	N/A	N/A	N/A	N/A	\$ 0.007	\$ 0.002
May	N/A	\$ 0.341	N/A	N/A	N/A	N/A	\$ 0.012	\$ 0.329
Jun	N/A	\$ 0.006	N/A	N/A	N/A	N/A	\$ 0.006	\$ -
Jul	N/A	\$ 0.005	N/A	N/A	N/A	N/A	\$ 0.005	\$ -
Aug	N/A	\$ 0.009	N/A	N/A	N/A	N/A	\$ 0.009	\$ -
Sep	N/A	\$ 0.006	N/A	N/A	N/A	N/A	\$ 0.006	\$ -
<b>FYTD 2005 Total</b>	<b>N/A</b>	<b>\$ 0.571</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.092</b>	<b>\$ 0.479</b>
<b>FY 2004 Total</b>	<b>N/A</b>	<b>\$ 14.912</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.095</b>	<b>\$ -</b>
<b>FY 2005 Annualized</b>	<b>N/A</b>	<b>\$ 0.571</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 0.092</b>	<b>\$ 0.479</b>
<b>FY 2005 Authority(a)</b>	<b>N/A</b>	<b>\$ 15.816</b>						

\* includes HECMs

\*\* includes only those Multifamily programs that are in positive credit subsidy risk categories

(a) Department is under continuing resolution status

## ***Single Family Market Comparisons***

***(Due to a lag in reporting of conventional information, these notes describe data for the previous month)***

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### **Insured Mortgage Applications**

- Total mortgage insurance applications decreased 25 percent through August of this fiscal year compared to the same period during FY 2004.
- Fiscal year-to-date, FHA applications decreased 31 percent; this compares to a 17 percent decrease in conventional mortgage applications and 52 percent decrease in VA guarantee applications.
- FHA's share of total mortgage insurance applications was 29 percent so far this fiscal year compared to 32 percent for the same period a year ago.

### **Insured Mortgage Endorsements**

- FHA endorsement dollars decreased 47 percent through August of FY 2005 compared to the same period a year ago.
- FHA's share of insured mortgage endorsement dollars is 21 percent through August of FY 2005 compared to 29 percent during the same period of FY 2004.
- Fiscal year-to-date, the share of insured mortgage endorsement dollars for conventional insurers is 71 percent and VA's share is 8 percent.

### **Home Sales Market**

- The number of FHA purchase mortgages decreased 40 percent through August of FY 2005 compared to the same period a year ago.
- Overall, home sales are up 7 percent through August of FY 2005 compared to the same period in FY 2004.
- FHA's share of home sales was 4.3 percent through June of this fiscal year compared to 7.7 percent for the same period in FY 2004.

## Single Family Market Comparisons

Current Month August 1, 2005				Current FYTD Oct. 2004 - August 2005				Prior FYTD Oct. 2003 - August 2004				Percent Change
Number		Application Share		Number		Application Share		Number		Application Share		(Number)
INSURED MORTGAGE APPLICATIONS												
Conventional	156,899	69%		1,484,067	64%			1,787,542	58%		-17%	
FHA *	52,764	23%		673,270	29%			979,755	32%		-31%	
VA	16,448	7%		152,329	7%			319,385	10%		-52%	
TOTAL	226,111	100%		2,309,666	100%			3,086,682	100%		-25%	
Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Number		Dollars (\$M)	Insured Share (\$)	Percent Change (Dollars)
INSURED MORTGAGE ENDORSEMENTS												
Conventional	152,993	\$ 22,181.4	73%	1,403,800	\$ 194,793.9	71%		1,694,891	\$ 219,841.2	59%	-11%	
FHA	46,231	\$ 5,736.1	19%	473,967	\$ 57,575.1	21%		907,034	\$ 109,494.0	29%	-47%	
VA	16,351	\$ 2,634.5	9%	152,187	\$ 22,700.3	8%		316,447	\$ 41,936.0	11%	-46%	
TOTAL	215,575	\$ 30,552.0	100%	2,029,954	\$ 275,069.3	100%		2,918,372	\$ 371,271.2	100%	-26%	
Number		FHA Share		Number		FHA Share		Number		FHA Share		Percent Change (Number)
HOMES SALES MARKET												
FHA Purchase Mortgages**	33,643	4.7%		325,743	4.3%			545,332	7.7%		-40%	
Home Sales***	710,250			7,558,000				7,069,750			7%	

\* Data for applications are for July 24, 2005 - August 20, 2005 for current month; September 19, 2004 - August 20, 2005 for current FYTD, and September 21, 2003 - August 21, 2004 for prior FYTD.

\*\* FHA insured minus FHA refinancings

\*\*\* Includes new and existing construction home sales and a month lag between home sale and FHA endorsement of mortgage to purchase home.

Note: Dollars represent original amounts insured

## Executive Summary

### Status of FY 2005 Housing Contracts and System Funds

As of September 2005

**Data is not available for publishing**